



Fern Annual Report 2001



Fern Annual Report 2001



Fern's staff in 2001:



Saskia Ozinga

Saskia Ozinga, Director
Chantal Marijnissen, Trade and
Development Officer
Sofia Ryder (first half year): Forest Policy
Officer
Berenice Muraille (second half year): Forest
Policy Officer
Jutta Kill: Climate Policy Officer
Sara Street: Administrative Support



Chantal Marijnissen

*Fern further temporarily employed a number
of consultants:*

Jess Wenban Smith (communication
policies, editor)
Georgina Green (researcher)
Mpho Mpho Bazil (researcher)
Nicole Gerard (researcher and editor)
Daan van Beek (designer)



Berenice Muraille

Fern's Board 2001 consists of:

Caro Zuniger, Germany
Fransesco Martone, Italy
Gemma Boetekees, the Netherlands
Sian Pettman, UK
Saskia Ozinga, UK



Jutta Kill



Sara Street

Fern would like to thank to following
organisation for their invaluable support:

Both Ends
DG Development of the European
Commission
DG Environment of the European
Commission
Dutch Ministry of Environment
Ford Foundation
Global Forest Coalition
Grassroots
Heinrich Böll Stiftung
Mott Foundation
Netherlands Committee for IUCN
Novib
Wallace Global Fund

*Edited by Claire Newton,
CN Communication Services, Oxfordshire,
England
Tel / fax: 00 44 1608 810034
e-mail: claire.newton@virgin.net
Designed by Daan van Beek, the Netherlands
Photos: Daan van Beek, Greenpeace,
NCIUCN*

*Fern UK
1c Fosseyway Business Centre, Stratford Road,
Moreton-in-Marsh, Gloucestershire, UK
GL56 9NQ, United Kingdom
Tel: 00 44 1608 652895
Fax: 00 44 1608 652878
E-mail: info@fern.org*

*Fern Brussels
20 Avenue des Celtes, 1040 Brussels, Belgium
Tel: 00 32 2 742 2436 Fax: 00 32 2 736 8054
E-mail: info@fern.org*

Foreword

This review of 2001 shows the scope of Fern's work and highlights some of our successes. In particular our report, *Behind the Logo*, explains how a credible forest certification scheme should work, and why currently, only the Forest Stewardship Council (FSC) meets these requirements. The report was accompanied by a joint NGO statement, supported by most environmental organisations. With our strong working relationships and networks with other NGOs and Indigenous Peoples Organisations, we will continue to act as catalysts for change – together. And together we hope to focus attention on the social aspect of the forest crisis: human rights abuses. Fern's report on human rights violations – *Forests of fear, the abuse of human rights in forest conflicts* – clearly shows the link between that and the disappearance of the world's forests. As long as the rights of forest peoples are not respected, sustainable forest management will remain a dream.

A dream, which Fern has been working hard to crush is the illusion that the global climate crisis can be remedied by planting young, carbon-absorbing trees. Climate change is expected to have a major impact on many of the remaining forests, several forest ecosystems are predicted to disappear altogether – taking with them the livelihoods of people who live in and around these forests. Fern will continue to argue for real emission cuts to address the climate crisis and highlight the dangers of relying on trees as 'carbon sinks' in the Kyoto Protocol, where such sinks will allow continued greenhouse gas emissions of carbon from fossil fuels.

Without doubt it has been an exciting and challenging 12 months for Fern: as an organisation, we keep on growing and continue to forge links that bring the plight of forests and indigenous peoples to the top of the political agenda. Our continued growth is indicative that the issues we are campaigning on deserve to remain at the forefront of global debate. However, the year ahead will see us focus our efforts, and concentrate our resources on providing the research and analyses needed to get the changes we need.

Saskia Ozinga, Director

Certification – fact or fiction?

Since Fern's conception in 1995, forest certification has remained at the heart of its core activities. Co-ordinating the European, but increasingly global, NGO community on certification has been one of Fern's key activities. In 2001, certification was highly prominent on Fern's agenda, as Fern published a first authoritative report on the main, different forest certification schemes. The report, *Behind the Logo*, has been in continuous demand since publication (see box) and contributed to Fern's main aims to promote credible forest certification schemes at European Union (EU) level.

Currently, as *Behind the Logo* shows, only the Forest Stewardship Council (FSC) is a credible forest certification scheme, and even the FSC is in need of substantial improvements, specifically in the social aspects.

Activities

- Fern set up two international NGO strategy meetings that focused on credible forest certification schemes.
- Based on six country case studies, Fern researched and produced a report about the differences of the four main forest certification schemes.
- Fern developed a joint NGO statement, based on the results of the report, denouncing the Pan European Forest Certification Scheme (PEFC), the Sustainable Forest Initiative (SFI), and the Canadian Standards Association's Sustainable Forest Management Standard (CSA).
- A joint NGO statement and brief presentation was developed for a meeting organised by the FAO in Rome on mutual recognition.
- Fern delivered a keynote speech at a meeting hosted by the European Commission, on 'building confidence between different forest certification schemes'.

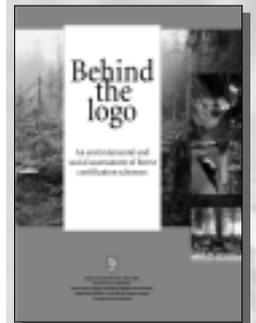


Behind the Logo

After repeated requests to pinpoint the differences between the four major forest certification schemes in operation, Fern commissioned detailed research that examined the procedures of the four largest forest certification schemes: the Forest Stewardship Council (FSC); the Pan European Forest Certification Scheme (PEFC); the Canadian Standards Association's Sustainable Forest Management Standard (CSA); and the US Sustainable Forestry Initiative (SFI).

Fern's report, *Behind the Logo*, synthesises the findings of six country case studies in an easily accessible report that highlights the flaws in the different forest certification schemes to show what sort of practices really lie "behind the logo". The report concludes that at the moment, only the FSC is a 'credible' forest certification scheme meeting some 12 criteria set by environmental and social NGOs, governments, and industry.

The tensions in the certification debate were very clear once this report was released, as it was praised by many and vilified by others. *Behind the Logo* was reprinted within just a few months owing to high demand: over 10,000 hard copies have been distributed and 8,640 copies have been downloaded from Fern's website (www.fern.org). A summary of the report has been translated into French, and the full report is currently being translated into Japanese.



Weathering the storm

“At least one-third of the world’s forests are likely to be affected by climate change. There will be a trend towards unstable, younger, and simpler forests with reduced biodiversity”

*Nigel Dudley,
Potential Impacts of
Climate Change on
Forests; WWF
International, Gland,
Switzerland,
November 1998.*

Climate changes will profoundly alter forests worldwide, threatening their ability to survive as healthy ecosystems – and provide us with clean air, water, food, and medicines. These changes will not only have an impact on global warming itself, but will also mean further hardship for indigenous forest peoples whose livelihoods depend upon a stable forest environment. Decision-makers have so far ignored the dangers that global warming poses to the world’s forests and, in adding insult to injury, have pushed through negative decisions at the 2001 international climate negotiations that (ab)use the natural biological process of trees to capture carbon. This was seen as an easier alternative to enforcing real greenhouse gas emission cuts and, as a result, the risk of further greenhouse gas emissions is substantially increased for the future.

Much of Fern’s work in 2001 continued to focus on the international climate change negotiations, where the concept of ‘carbon sinks’ (see box) dominated the agenda at intergovernmental meetings in Bonn, Germany (July 2001) and Marrakech, Morocco (November 2001). Fern provided clear analyses of the arguments raised in the carbon sinks debate, raised awareness about the social and environmental consequences of ‘carbon sinks’, and urged governments to shift their focus away from the flawed idea of planting trees to halt climate change, to addressing the true links between forests and climate change.

Although governments opted to allow themselves substantial credits from ‘carbon sinks’ to achieve their greenhouse gas emission cuts on paper under the Kyoto Protocol, Fern’s activities ensured decision-makers were made aware of the likely environmental, and, particularly, the social costs of these decisions. In 2002, Fern will actively engage in setting up Sinks Watch, an initiative aimed at scrutinizing carbon sink projects applying for carbon credits.

Activities

- **The second, expanded and revised edition of Fern’s report, *Sinks in the Kyoto Protocol*, provided participants at the intergovernmental negotiations with a succinct analysis and detailed arguments against the use of ‘carbon sinks’, within the Kyoto Protocol’s Clean Development Mechanism. Over 1,000 copies were distributed at the resumed Sixth Conference of the Parties to the Framework Convention on Climate Change (COP6) in Bonn, Germany, and at COP7 in Marrakech, Morocco.**
- **An expanded climate change information zone at Fern’s website, including online reference publications and action alerts, provided an essential resource for campaigners.**
- **Fern contributed articles to several NGO newsletters and magazines, including *Taiga News*, *Hot Spots*, and the *Forum Umwelt & Entwicklung Rundbrief*, highlighting the social and environmental costs of carbon sinks.**
- **Fern spoke at workshops in Manchester, UK and the Isle of Vilm,**

Germany on the inadequacy of the concept of carbon sinks to reduce greenhouse gas emissions, and on the likely social and environmental costs of sink projects.

- Fern presented NGO concerns about 'carbon sinks' at EU Council and Commission meetings both at COP sessions and in meetings throughout the year.

What is wrong with 'carbon sinks'?

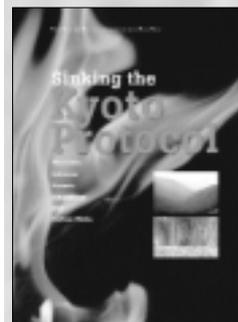
The issue of 'carbon sinks' has likely been the most hotly contested topic of the climate negotiations in the recent years. Disagreement over the use of carbon sinks to achieve the reductions in greenhouse gas emissions that industrialised countries committed to in Kyoto in 1997, was the main cause of the collapse of the climate summit in The Hague, the Netherlands in 2000. Even though controversy continues to surround the issue, governments at the resumed climate summit in Bonn, Germany, in July 2001, adopted decisions that will allow industrialised countries to meet substantial parts of their commitments through the use of carbon sinks. Amongst the most worrying decisions, is the inclusion of carbon sinks in the Clean Development Mechanism. Here, the potential for socially and environmentally unsound projects is highest, and countries hosting such projects are under no obligation to curtail their emissions.

"But surely planting trees can't be bad – so where's the problem?"

The idea behind carbon sinks is to use the natural chemistry of trees, plants, and soil – which soak up carbon while they are alive and undisturbed – to tackle climate change. Unfortunately, this theory is flawed because, in practice, the idea fails to work for the following reasons:

The framework of the Kyoto Protocol encourages the establishment of large-scale tree plantations because these are likely to generate the most credits; rather than being a solution to the climate crisis, such large-scale tree plantations are only likely to increase pressure on the local communities affected by such projects. Furthermore, several studies suggest that an area converted to plantation will, in many cases, continue to release more carbon through the soil than is absorbed by the newly planted trees. Unfortunately, there are many possibilities under the Kyoto Protocol to avoid accounting for these releases, while simultaneously scoring credits for the absorption.

In Fern's view, it is vital that all carbon sinks projects applying to generate carbon credits under the Kyoto Protocol should be thoroughly scrutinized. To this effect, Fern will be actively engaged in setting up Sinks Watch, an initiative aimed to do precisely that during 2002.



The development of change

The European Union (EU), the European Community (EC) and its 15 member states, is the largest aid donor in the world, disbursing over half of the total Official Development Assistance (ODA). An estimated one-third of all aid to forestry projects comes from the EC and its member states. Fern intends to scrutinise EC aid policies and practices in relation to forests in order to improve EC aid flow to (tropical) forest projects. Currently, Fern is the only organisation that is actively pursuing this objective.

“The reason why we are so bad at informing about what we are doing is that we don’t know what we are doing.”

*Paul Nielson,
Commissioner for
Development
Co-operation,
December 2002*

Following severe criticisms of the EC’s development cooperation in recent years, the EC aid programme and its structure have been continuously revised. As European Commission projects and procedures continue to be dogged by uncertainty, it has undoubtedly been a challenge for Fern to keep track of recent developments. In 2001, a new body called EuropAid was formed to deal specifically with projects, leaving the Directorate General (DG) Development to concentrate on policy issues. It is likely that in 2002 DG Development will be further dismantled.

In 2001, Fern focused on the development of an EU strategy on forests. This strategy is intended to develop the EC’s forest policy in development co-operation. Once a draft strategy was ready for consultation in November 2001, Fern organised a NGO seminar to discuss the strategy and a meeting between Commission staff and NGOs to present NGO comments on the strategy. Background papers were produced and presented to the Commission. The Forest strategy has still not been adopted. One of Fern’s main concerns with the Forestry Strategy was not with the content of the Strategy, but with the process, and specifically its lack of consultation with NGOs in the North and South at such an early stage of its development.



Activities

- Fern organised a meeting with the Belgian Presidency about the Forest Strategy, and encouraged the Belgium government to recruit additional staff to work on forestry issues.
- Fern facilitated an NGO seminar to discuss the EC Forest Strategy and subsequently organised a meeting with NGOs and Commission staff to discuss the Strategy.
- Fern set up several meetings with Commission Officials.
- Fern supported the Forest Peoples Programme on influencing the World Bank's resettlement policy by writing to all the World Bank's Executive Directors.
- Fern presented NGO comments to DG External Affairs on issues related to biodiversity, indigenous peoples, and traditional knowledge in relation to the World Trade Organisation's (WTO) Agreement on Trade Related Intellectual Property Rights.
- Fern organised visits to the EU from NGOs and scientists from Russia, India, and in the previous year, Nigeria.

For 2002, Fern set an objective to start an 'EU Platform on Forests'. Its main aim will be to support NGOs and Indigenous Peoples Organisations from the South and Newly Independent States (NIS), to play an active role in shaping EC development-related activities affecting their livelihoods by reinforcing dialogue between civil society and the Commission in a constructive manner. The Platform further aims to provide a platform for local, national, and regional people and organisations to present their problems and solutions with EC development projects to the Commission. The Platform also aims to strengthen the networks between Non-Governmental Organisations, Indigenous Peoples Organisations, and Community Based Organisations from the North, South, and NIS countries.



THE EC FOREST PLATFORM

Export Credit Agencies: ringing the changes

“I too am frustrated with the ECAs’ lack of progress in adopting common environmental policies. Every time any of them move forward a millimetre, they stop to see if anybody else has moved.”

*Trade Commissioner
Pascal Lamy at a
meeting of the
Transatlantic
Environment
Dialogue in 2000.*

Export Credit Agencies and Investment Insurance Agencies, commonly known as ECAs, are public or parastatal agencies that provide government-backed loans, guarantees and insurances to corporations from their home countries that seek to conduct business overseas in developing countries and emerging markets. Most industrialised nations have at least one ECA. ECAs are now the single largest source of taxpayer support for infrastructure projects in the South and in Eastern Europe, underwriting projects whose value is several times the combined annual funding of all the Multilateral Development Banks. Unfortunately, ECAs are involved in many destructive projects, from pulp and paper mills, to nuclear power plants and large dams.

Most EU-based ECAs have no effective criteria or procedures for assessing the environmental impacts of the projects they support, unlike some ECAs in Japan and Australia. In general, ECAs are not subject to any binding human rights or development guidelines. Therefore, ECA-lending, supported by taxpayers’ money, contributes to ecologically and socially harmful projects.

Fern’s mandate is to co-ordinate NGO and trade union activities at EU level to ensure the adoption of legislation that will enforce environmental and social guidelines for all ECA activities. Fern conducted an analysis of the EU’s role in shaping policy and legislation on Export Credits. This has given the European arm of the ECA campaign a greater understanding of EU mechanics, and will enable more targeted campaigning at the level of the Commission, Parliament, and Council. Fern also organised several NGO consultation meetings to agree a coordinated strategy and exchange information amongst national campaigners. Fern’s EU campaign will respond to the needs of the national campaigns throughout Europe, and the Southern NGOs and local communities directly affected by ECA-supported activities.

Activities

- **Fern produced an analysis of the role of European Community Institutions in shaping EU policy and legislation on ECAs.**
- **Fern organised three NGO strategy meetings.**
- **Fern raised awareness and set up meetings with MEPs.**
- **Fern monitored and lobbied to ensure high environmental standards for the proposed OECD agreement on the environment and officially backed ECAs.**
- **Fern organised a meeting between NGOs and DG trade to discuss ECAs and the environment.**

In 2002, Fern intends to organise a tour of affected communities and present clear suggestions for effective legislation to ensure EU-based ECAs no longer support environmentally and socially harmful activities.

United Nation Forum on Forests

While 2000 marked the passing of one intergovernmental forum on forests and the birth of its successor, the United Nations Forum on Forests (UNFF), 2001 saw the establishment and first meeting of the UNFF. As the UNFF has no 'operational' mandate and no funds for implementation, NGOs and other major groups have realised that added value can only come from the UNFF's monitoring and reporting function.

Fern has stressed repeatedly that the implementation of commitments made, and the monitoring of the implementation process, is vital to the success of the new forum. The UNFF got off to a shaky start in its first session in June 2001. Ultimately, a work programme and a plan of action were adopted, and this represented a compromise between the priorities of the different interest groups. UNFF decisions confirmed the need to focus on implementation and contained welcome language recognising that monitoring and reporting is a principal function of the UNFF. However, Fern considers it too premature to assess the effectiveness of the forum on the outcome of the first session. The real test will come at UNFF2 in March 2002 when substantive issues are on the table.

Activities

- Fern organised discussions with partner NGOs on how to co-ordinate and strategise the NGO input to UNFF1.
- Fern organised and hosted an EU Council-NGO co-ordination meeting prior to UNFF1 and presented its position.
- Together with the Forest Peoples Programme, Fern drafted an NGO position paper that identified the potentially positive elements of the preparatory UNFF documents, as well as the multiple gaps and contradictions to be discussed and remedied at UNFF1.
- Fern organised an information-sharing meeting about UNFF1, with DG Environment, and presented the concerns of NGOs.
- Fern and the Forest Peoples Programme provided joint NGO comments about the plans and activities of the Collaborative Partnership on Forests (CPF) network.

In 2002, Fern will concentrate its input to the UNFF2 session, and will assist in co-ordinating the positions of European NGOs and present them to the EU. It will ensure a proper scrutiny of the forum by attending UNFF2. Based on the outcome of the forum's second session, Fern will decide on its follow-up actions and make sure that the work is co-ordinated with the other forest-related instruments, like the Convention on Biological Diversity (CBD).

“At times, it is difficult to repress the overwhelming wish to shout out when delegates from governments that are well-known for widespread forest destruction take the floor and describe all the allegedly positive actions they are carrying out to protect forests, which everyone there knows is untrue. In spite of the above, and in spite of the many shortcomings of these processes, it is important to acknowledge that international processes and agreements eventually lead to action and, in the worst case scenario, may at least provide local people and organisations with more tools to protect their rights and their rainforests.”

Editorial, World Rainforest Movement Bulletin N° 52, November 2001

Forgotten forests – the human cost

Forests are being lost all over the world and the people trying to protect them face violence, and sometimes even death. Abuses of human rights occur in forest conflicts all over the world, from Canada and the United States to Brazil, and from Kenya to Indonesia. Looked at in isolation, many of these examples of abuse may be regarded as single incidents of criminal activity. Put together, it becomes clear that there is a recurring pattern of human rights' violations linked to forest loss. Why? Fern searched for answers in 2001.

In a report published in December 2001, *Forests of Fear: the abuse of human rights in forest conflicts*, Fern showed how forests are a contested resource, with many different values and functions for different people (see box). The case studies and country reports clearly show that the forest crisis is intricately linked to human rights' abuses. The report is a wake up call to environmental activists and governments who do not yet see the need to address human rights abuses, and the direct and indirect causes that lead to them in the urge to save the world's forests.

Activities

- Fern researched, produced, and published the report, *Forests of Fear: the abuse of human rights in forest conflicts*.
- The report was presented at intergovernmental level for organisations such as the UNFF (see page 11).
- Fern researched a briefing note on human rights at the EU level.

In 2002, Fern aims to work towards implementing some of the recommendations in this report, specifically in educating NGOs and communities in using Human Rights Instruments to support their struggle.

“Economic improvements cannot be envisaged without the protection of land and resource rights. Rights over land need to include recognition of the spiritual relation indigenous peoples have with their ancestral territories. And the economic base that land provides needs to be accompanied by a recognition of indigenous peoples’ own political and legal institutions, cultural traditions, and social organisations. Land and culture, development, spiritual values, and knowledge are as one: to fail to recognise one is to fail on all.”

Mary Robinson, UN High Commissioner for Human Rights, 3 December 2001



“Without halting these abuses, and creating a climate in which the fate of forests can be discussed in an open manner with all involved, there is little hope that the ongoing destruction of world’s forests can be stopped.”

Saskia Ozinga, Fern’s Director, who commissioned the report.

Stopping human rights’ abuses is key to solving forest crisis

A new Fern report clearly links the disappearance of the world’s forests with the horrifying catalogue of human rights’ abuses taking place as a result of conflicts between forest peoples, and the powerful government and corporate interests within forests. *Forests of Fear: the abuse of human rights in forest conflicts* calls for governments, environmental groups, and aid donors to prioritise the defence of human rights as the primary solution to solving the forest crisis. *Forests of Fear* highlights the stories of over 40 cases of human rights abuse, arising from such conflicts. Four detailed case studies, three country analyses (Indonesia, Mexico and Canada), as well as numerous examples, offer evidence of human rights abuses including murder, threat to life, disregard of land rights, illegal imprisonment, forced resignation and torture.

Forests of Fear concludes with seven key recommendations, including:

- defence of human rights must be made a priority in environmental campaigns;
- an international database of corporations with a record of human rights abuses should be established;
- documentation of human rights abuses relating to forest conflicts should be formally recognised;
- the UN Declaration on Human Rights Defenders should be widely adopted and enforced by governments.



Working together: the Convention on Biological Diversity

The Convention on Biological Diversity (CBD) is the first global agreement to cover all aspects of biological diversity: genetic resources, species, and ecosystems. Although forests harbour about two-thirds of terrestrial biodiversity, they only finally appeared on the CBD's agenda in 2001 and 2002. In April 2002, the Sixth Conference of Parties (COP6) of the Convention on Biological Diversity intends to adopt a new work programme on forests for the years 2002-2010. Fern, along with other environmental NGOs and indigenous peoples organisations, believes that COP6 could become, at intergovernmental level, a turning point for forests with the adoption of a cross-sectoral, integrated, and holistic work programme on forests.

As a result, in 2001, Fern concentrated its work on supporting and influencing the work of the Convention's Ad-hoc Technical Expert Group on forests and the Convention's Technological Advisory Body, as these bodies prepared the way for the new programme of work.

Fern's aims were to ensure the work programme focused on the right targets and activities; included clear goals, timelines, and responsibilities; included a monitoring and reporting framework that encouraged the various parties to fulfil their commitment; and referred to forest definitions based on the ecosystem approach, and not on the FAO's forest definition. A precondition for the development and implementation of a good work programme is the meaningful participation of indigenous peoples, local communities, and NGOs.

To guide both governments and NGOs, Fern drafted a concept work programme to show what a good forest work programme should look like – a model work programme that was supported by a number of other NGOs. Fern's work paid off as the delegates adopted a draft work programme at the advisory meeting in November 2001 that included many action-oriented elements, objectives, and activities that addressed the underlying causes of biodiversity loss in a holistic manner. This acted as a primer for an intergovernmental set-up and many of the activities proposed were similar to those developed in Fern's proposal for a work programme.

“The Convention on Biological Diversity has a crucial role to play in safeguarding the world's biological diversity, but it is struggling to assert a leadership role. Rather than being the international agenda-setter on biodiversity, the Convention plays a reactive role... Great Conventions succeed by being “more than the sum of their parts”: currently, the CBD adds up to less than the sum of its parts.”

Joy Hyvarinen in Strengthening the CBD, a report by the Royal Society for the Protection of Birds, August 2001.

Activities

- Fern prepared a set of comprehensive comments on the discussion paper prepared by the Ad Hoc Technical Expert Group.
- Fern prepared an NGO version of the work programme, *Time for action*, to generate debate and creative thinking among NGOs and government officials.
- Fern educated governments and NGOs during the CBD meeting in November 2001 in Canada, and co-ordinated NGO activities.
- Fern co-organised a meeting between EU representatives, and NGOs and the CBD's advisory body.

In preparation for COP6 in April 2002, Fern initiated a major project researching the implementation of the forest-related commitments of the CBD in over 20 countries world-wide. A synthesis report will be presented at COP6.



Quelling illegal trade

“There is little doubt that forest crime is pervasive and causing enormous damage to the environment and the economy as well as hurting the poor most. The World Bank calculates that illegal logging alone costs governments some \$ 5 billion per year in lost revenues and that in addition \$ 10 million per year are lost to the economy of the producing countries”

A. Contreras, Illegal Forest Production and Trade, May 2002.

Trade and trade agreements have the potential to encourage the destruction of forests either through increasing the demand for timber, or encouraging changes in land use – for example, soya bean or oil palm plantations – to satisfy European markets. In 2001, Fern continued to monitor and inform the European Commission and, in particular DG Trade, to ensure that their policies and trade negotiations promote sustainable development. However, Fern’s main emphasis was with the link between trade and illegal logging. Indeed, illegal logging, and the trade in illegally-sourced timber, is on the increase in tropical, temperate, and boreal forests. It is one of the main causes of forest loss, undermines the rule of law, and leads to substantial revenue loss for the state. It encourages forest crime, corruption, and tax evasion, and has serious economic and social implications for poor and disadvantaged people. Due to the nature of the crime, it is difficult to obtain statistics. It is, however, widely believed that approximately 50 per cent of imports of tropical timber, and about 20 per cent of timber from boreal forests into the EU, is illegally sourced.

Activities

- On behalf of the environmental sector, Fern attended the EC-civil society contact group, which is in charge of procedural decisions in relation to dialogue on trade.
- Fern organised a seminar in Norway to discuss the issue of trade liberalisation and related issues, such as structural adjustment programmes and financial services. Over 50 people participated from 13 countries.
- Fern organised a meeting with representatives from the Japanese Ministry of Agriculture to discuss their position with regard to forests. Fern has maintained regular contact with US and Japanese NGOs about trade-related issues.
- Fern gave a lecture on trade and forest to students at the University of Montpellier, France.
- Fern organised several NGO coordination meetings on illegal logging, and two meetings with the European Commission.
- Fern drafted a joint NGO statement on trade in illegally-sourced forest products and published an information sheet on the percentage of illegal imports into the EU.

In 2002, Fern will continue to inform and lobby the European Commission about the impacts of trade on forests and suggest options to halt or restrict the import of illegally harvested timber.



NGO networking, joining forces for change

One of Fern's central activities is co-ordinating and informing NGOs working on forest issues. Fern builds strong and effective campaign networks and utilises them to co-ordinate activities and issue many joint statements on issues of shared concern.

Fern's director has co-ordinated the *Forest Movement Europe* since it came into existence nearly fifteen years ago. Fern is on the steering committee of the *World Rainforest Movement* and *Taiga Rescue Network*, and together with *Forest Peoples Programme*, Fern is the Northern Support Office for the World Rainforest Movement.

Each of these three networks operates differently but the common theme for each one is forests and people. Participants of these networks believe that the current forest crisis cannot be properly addressed without taking the social aspect of forests into account in all policy decisions and practices. Fern also functions as the European focal point of the Global Forest Coalition.

On specific issues, Fern has created temporary and longer-term networks of NGOs to pool resources and encourage effective joint campaigns. These include NGO networks on trade, intergovernmental fora, forest certification and Export Credit Agencies.

Fern Publications 2001

Reports

Behind the Logo, an environmental and social assessment of forest certification schemes (May 2001)

Evidence of widespread, destructive logging of old-growth forests around the world has caused many consumers to be concerned about the trail of devastation left behind. Certification is a mechanism that aims to assure consumers that the products they buy come from well-managed forests. Our in-depth report on the four biggest forest certification schemes analyses the strengths and weaknesses of each scheme, and aims to provide companies, governments, and NGOs with the facts needed for informed decision-making.

Behind the Logo was based on six country case studies, each separately available: USA: An analysis of the Sustainable Forestry initiative (SFI) in comparison with the Forest Stewardship Council (FSC) (May 2001).

Canada: The development, standards, and procedures of the CSA in Canada (May 2001).

Germany: The development, standards, and procedures of the Pan European Forest Certification Scheme (PEFC) and the Forest Stewardship Council (FSC) in Germany (May 2001).

Sweden: The development, standards, and procedures of the Pan European Forest Certification Scheme (PEFC) and the Forest Stewardship Council (FSC) in Sweden (May 2001).

Finland: The development, standards, and procedures of the Pan European Forest Certification Scheme (PEFC) in Finland, an introduction (May 2001).

France: The development, standards, and procedures of the Pan European Forest Certification Scheme (PEFC) in France (May 2001).

Sinks in the Kyoto Protocol, a dirty deal for forests, forest peoples and the climate (July 2001)

This report highlights and investigates some of the most commonly used arguments in the 'carbon sinks' debate. It also aims to demonstrate that 'carbon sink credits' will fail to work as long as the international community fails to address the social and environmental issues associated with Kyoto lands, particularly large-scale tree plantations.

Forests of Fear, the abuse of human rights in forest conflicts (November 2001)

Even though human rights abuses may be outside the normal remit of environmental groups and government officials addressing forest issues, this report argues that addressing these abuses, and the direct and underlying causes that lead to them, is central to a sustainable future for the world's forests.

EU Forest Watch

Fern published ten issues of EU Forest Watch, four of which were accompanied by a special report (two pages) on the following issues:

Export Credit Agencies (April 2001)

In light of the NGO and trade union call for legally binding environmental and social guidelines for Export Credit Agencies (ECAs), this report aims to explain what ECAs are, their impacts, and the case for their reform.

EU Illegal Timber Imports (July/August 2001), written by Forest Monitor

This report reveals the shocking statistics on import levels of illegal tropical timber into the EU.

Climate Change and Forests (October 2001)

This report, written post-Bonn and pre-Marrakech, assesses what is at stake for forests and forest peoples as a result of the Bonn Agreement, and what needs to be done to ensure that carbon sink projects will not make matters worse.

Doing a Deal in Doha (November 2001), written by the Royal Society for the Protection of Birds (RSPB) – full briefing available from pete.hardstaff@rspb.org.uk
This report aims to debunk the myths on the new trade round.

Briefing Notes

Transparency in the EU (November 2001)
Calls for the European Union to improve transparency came to a head in 1992, when referenda results in Denmark and France over adoption of the Maastricht Treaty revealed the public's lack of confidence in European Institutions. This article outlines the steps taken by the European Commission to remedy the situation.

Funding possibilities for indigenous peoples (November 2001)
This briefing aims to outline the opportunities available, current areas of uncertainty, and the best possible approach to making a successful application for funding from the European Commission.

The Convention on Biological Diversity, State Sovereignty and Indigenous Peoples' Rights (November 2001) Published jointly by: Fern, Forest Peoples Programme, Friends of the Earth International, Greenpeace International, and the World Rainforest Movement
This legal briefing explains why all states-parties to the CBD are legally obliged to recognise indigenous peoples' rights, including rights to land and resources.

Reports pre-2001

Who's Who in the Forest Movement (December 1998)
A directory covering the members or affiliates of three networks: the Forest Movement Europe (FME), Taiga Rescue Network (TRN), and the World Rainforest Movement (WRM).

Europe and the World's Forests (January 1999)
Published in conjunction with the Forest Peoples Programme, this report addresses the underlying causes of forest loss in Europe, and the impact of Europe's aid and trade policies on forests elsewhere.

Keeping the Promise (April 2000)
This joint review by NGOs investigates the implementation of the IPF's Proposals for Action in 17 selected countries.

Sinking the Kyoto Protocol, the links between forests, plantation and carbon sinks (October 2000)
Published in the run up to the COP6 negotiations in The Hague, this highly successful short report accesses the issues at stake, and the connection between climate change and forests.

Trade Liberalisation and its Impacts on Forests (November 2000)
This report assesses how, and to what extent, global trade affects forests and forest peoples.

EU Implementation of IPF Proposals for Action (2000)
A European report looking in detail at the implementation of the IPF Proposals for Action by 11 European Union governments.

Financial Report

in Dutch Guilders (1 Euro equals 2.204 Guilders)

	<i>2001</i>	<i>2000</i>
Income:		
General project receipts	656,250	484,702
Agent monies received	55	52,204
Reimbursements	5,447	4,354
Income from other sources	3,366	1,750
Income re previous year	—	8,530
Interest receivable	2,710	2,315
	667,828	553,855
Less income in respect of future years	– (159,038)	– (43,553)
	508,038	510,302
Expenditure:		
Agent monies paid	44,459	47,213
Previous year's expenses	—	15,227
Printing	71,818	23,199
Telephone	22,440	28,341
Postage	10,490	12,242
Travelling	52,618	38,028
Computer equipment	3,925	—
Salaries	285,408	371,244
Magazines and journals	6,518	9,947
NGO-EU meeting (Brussels office)	496	13,849
Sundry expenses	3,832	1,605
Accountancy	12,632	4,579
Rent	19,981	20,787
Bank charges	1,574	1,991
Stationery	7,514	—
	543,705	588,252

What is Fern?

Fern keeps track of the European Union's (EU) involvement in forests, and coordinates NGO activities at a European level. Fern advocates changes in EU activities to achieve the sustainable use of forests, respect for the rights of forest peoples, and greater transparency in European aid to tropical forest countries. The EU has become a dominant player with respect to forests and, together with its Member States, provides half of all development aid in the world. One-third of all aid to tropical forests comes from the EU.

In the past six years, Fern's core activities have centred on improving European aid and trade policies in relation to forests. Forests across the globe are disappearing at an alarming rate: logging, mining, hydropower, and the hunger for land are the main causes of deforestation in the tropics, while temperate and northern old-growth forests are being destroyed by the timber, pulp and paper industries. Meanwhile, the livelihoods of forest peoples in the North and in the South are being undermined, and plant and animal species are disappearing. Many non-governmental organisations (NGOs) campaign to save the world's forests and support the struggles of forest peoples and the international co-ordination of these activities is vitally important. International trade, aid and policy agreements can have dramatic and damaging impacts on forests and forest peoples.

An important part of Fern's work is to mobilise support for more equitable North-South relations, and to raise awareness among environmental NGOs, policy makers, and the public at large about development-related problems faced by people in the South. Facilitating dialogue with, and encouraging more active involvement from people in the South, in both policy development and project design, continues to be of crucial importance.

More information can be found on our website www.fern.org. If you wish to contact us please email to info@gn.apc.org.